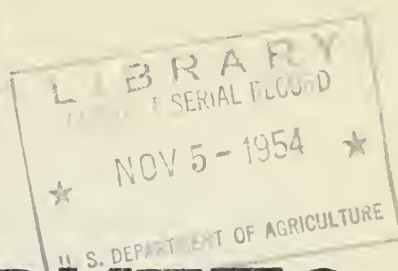


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Resume

Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, NOVEMBER 1, 1954

VOLUME 69

NUMBER 18

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L A T E N E W S

In keeping with increased 1954 bean production in Mexico, and decreased need for bean imports, the Mexican Government has removed the ceiling prices from beans. It also has increased by 10 percent the guaranteed price to growers. The decontrol measure is termed provisional to assure against speculative price rises. According to the announcement, CEIMSA will counteract any abnormal price increases by selling from its stocks.

- - - - -

Effective October 25, 1954 and until June 30, 1955, imports of dried peas will be permitted from dollar areas into the United Kingdom under open individual license. This license should permit a free flow of imports into the United Kingdom, there being no import quota established. The 1954 dry pea crop in the United Kingdom, estimated at 1,440,000 bags, is about one-third less than the 1953 estimate of 1,770,000 bags. Growing conditions were poor and the quality of the crop is below average. Poor quality has been reported also from other nearby European countries.

- - - - -

Canadian grain harvesting was progressing well in mid-October after delays caused by adverse weather, according to the Dominion Bureau of Statistics. The proportion of wheats, oats, barley and rye acreage cut or swathed was placed at 85 percent., with threshing and combining completed on 62 percent. (Further details will be published in Foreign Crops and Markets of November 8.)

FOREIGN CROPS AND MARKETS

Published weekly to assist the foreign marketing of U. S. farm products by keeping the nation's agricultural interests informed of current crop and livestock developments abroad, foreign trends in production, prices, supplies and consumption of farm products, and other factors affecting world agricultural trade. Circulation is free to persons in the U. S. needing the information it contains.

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JAPANESE RICE
CROP ESTIMATE

The 1954 rice crop of Japan is estimated at 9,500,000 metric tons in terms of brown rice based on crop conditions at the end of September, according to the American Embassy, Tokyo. This is 1,260,000 tons larger than the small crop of a year earlier, and 100,000 tons more than the estimate at the end of August. Balancing the generally good growing conditions against the typhoon damage in some areas, the outlook for rice production appears slightly better than at the beginning of September.

By the end of September the rice harvest had been virtually completed in Hokkaido and other parts of northern Japan. Yields are reported to be better than anticipated in that area, which caught the brunt of the early season cold damage. The hot weather which continued through September hastened ripening and filled out the grains. Except for Hokkaido, most of northern Japan is now expected to harvest a near-normal crop. The weather during August and September was about as generally favorable - hot and dry - as the rain and cold of June and July were adverse for crop development.

Deliveries of rice to the Government are reported to be moving at a heavy rate, partially as a result of a favorable payment schedule for early deliveries.

U.S. RICE EXPORTS
IN AUGUST

United States rice exports in August totaled 744,000 bags (100 pounds) as compared with 486,000 bags in the corresponding month of the preceding year. Principal exports were to countries in the Western Hemisphere, with 82 percent of the total going to Cuba.

Rice exports to Europe increased as compared with a year earlier, notably to Belgium and Luxembourg, Switzerland, and Ireland. Exports to Ireland of 3,584 bags were the first rice shipments to that country since 1951-52. Insignificant amounts went to the Far East, with only 1,000 bags to Japan. Some rice was shipped to countries in the Middle East, Saudi Arabia being the principal destination.

Total August rice exports of 744,348 bags were made up of 13,103 bags of rough rice (8,517 bags in terms of milled at 65 percent); 89,087 bags of milled rice containing not more than 25 percent whole kernels; and 646,744 bags of milled rice, containing more than 25 percent whole kernels.

Rough rice was exported to Cuba (6,857 bags) and Canada (6,246 bags.) Destinations of milled rice, containing not more than 25 percent whole kernels were Cuba (85,337 bags), Colombia (2,000 bags), Canada (1,350 bags), and Israel (400 bags). All other exports, comprising 87 percent the total, were of milled rice, containing more than 25 percent whole kernels.

RICE: United States exports to specified countries,
August 1954, with comparisons 1/

Country of destination	August-July				August	
	1945-46	1951-52	1952-53	1953-54	1953 2/	1954 2/
	to					
	1949-50					
	1,000	1,000	1,000	1,000	1,000	1,000
	bags	bags	bags	bags	bags	bags
Western Hemisphere:						
Canada	403:	443:	601:	633:	26:	30
British Honduras	13:	22:	3:	17:	0:	2
British West Indies	97:	54:	81:	6:	1:	3/
Cuba	4,923:	5,118:	4,876:	4,755:	175:	612
Netherlands Antilles	9:	25:	41:	53:	4:	4
Venezuela	76:	196:	86:	215:	66:	0
Bolivia	12:	4:	7:	5:	0:	0
Colombia	1:	3/	3/	314:	0:	12
Other countries	87:	34:	8:	29:	0:	3/
Total	5,621:	5,896:	5,703:	6,027:	272:	660
Europe:						
Belgium and Luxembourg	73:	57:	52:	206:	5:	23
France	11:	3/	3/	0:	0:	0
West Germany	14:	1:	3/	29:	0:	3/
Greece	109:	209:	3/	11:	0:	0
Iceland	10:	3:	8:	3/	3/	0
Netherlands	3:	0:	0:	12:	0:	0
Switzerland	32:	21:	38:	57:	1:	12
Other countries	86:	0:	2:	25:	0:	3
Total	338:	291:	100:	340:	6:	38
Asia:						
Saudi Arabia	80:	91:	138:	130:	5:	7
Ceylon	0:	741:	647:	0:	0:	0
Indonesia	646:	1,799:	1,100:	0:	0:	0
Philippines	1,136:	71:	3/	3/	0:	0
China	796:	0:	0:	0:	0:	0
Korea, Republic of	98:	2,821:4/	4,631:4/	590:4/	202:	0
Hong Kong	36:	0:	179:	0:	0:	0
Japan	279:	5,430:	3,999:	8,536:	0:	1
Ryukyu Islands	0:	0:	616:	0:	0:	0
Other countries	24:	9:	5:	25:	0:	2
Total	3,095:	10,962:	11,315:	9,281:	207:	10
Total Oceania	5:	13:	19:	17:	1:	1
Liberia	36:	73:	22:	67:	0:	34
Other Africa	1:	4:	3/	6:	0:	3/
Other countries	-	-	-	5/	8:	0:5/
Total world	9,096:	17,239:	17,159:	15,746:	486:	744

1/ Milled rice, including brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Less than 500 bags. 4/ Adjusted to include all programs of the Department of Defense and the Foreign Operations Administration. 5/ Starting with January 1954, "other countries" includes shipments valued at less than \$500 each when the number of such shipments in a given month is few.

Source: Bureau of the Census, except as noted.

AUSTRALIA EXPECTS SMALLER WHEAT CROP

Prospects for the wheat harvest in Australia, which normally begins in November, point to a total production somewhat below the 1953-54 outturn. The reduction is attributed to lower yields than last year, when the average for the country was 18.5 bushels per acre. Acreage for the current crop is estimated to be about 10.5 million acres, very slightly below the 1953-54 acreage.

A tentative forecast indicates that the outturn may approach 175 million bushels if conditions are favorable for the remainder of the season. The crop will be later than usual in all States. A crop of the size indicated would be about 23 million bushels less than in the past season, for which the revised production estimate is 197.6 million bushels. Domestic requirements for all purposes in recent years have been about 80 million bushels.

Conditions throughout the Commonwealth show wide variations, ranging from excellent to poor. The crop in parts of New South Wales has deteriorated from lack of adequate rainfall, though in some districts conditions are described as excellent. The outturn for New South Wales as a whole is expected to be well below the large 1953-54 harvest in that State.

In Victoria, the other ranking wheat producer of the country, conditions are described as only fair, and the total outturn is expected to be less than that of a year ago, though the reduction will be less than in New South Wales. September rains gave some relief in this State, but further rains were needed, at latest report.

Conditions in South Australia are fairly good, though the harvest is expected to be somewhat smaller than the large one of a year ago. Good soaking rains were needed for proper development, at the time of the latest report from this area.

In Western Australia conditions are relatively favorable, with grain looking healthy and reasonably promising, though backward, at latest report. Queensland is the only State having prospects for a better crop than that of last year. Increased acreage and favorable yield prospects account for the promising situation in that State.

GRAIN TRADE NOTES

Iraq Releases Additional Wheat for Export: Effective September 13, the Government of Iraq further modified the export ban placed on agricultural exports in April, 1954, when spring floods threatened considerable damage to crops. Since that time, the agricultural authorities have studied the supply situation and have from time to time released products in surplus. Limited exports of wheat were first authorized on July 6 when exports equivalent to one-half of existing stocks of the "Sabta" and "Iraqiyya" varieties were permitted subject to licenses issued by the Government. The quantities for which such licenses would be issued were not announced.

On September 13, the Government freed 50,000 metric tons of wheat for export, provided that the domestic market would not be disrupted. The authorization also included permission to export 100 tons of wheat flour per month to Persian Gulf Arab States, and 5,000 metric tons of rice. The decision to allow the export of wheat, wheat flour and rice indicates that the Government considers the supply to be unusually large despite flood losses. Normally, Iraq produces just enough wheat and rice to meet domestic requirements.

Syrian Government Wheat Purchase Program: The Syrian Government will purchase 1954 crop wheat from producers at fixed prices averaging L.S. 200 per metric ton (\$1.54 per bushel). Indications are that total government purchases may be limited to about 50,000 metric tons. For deliveries to designated collection centers in Jazirah, the guaranteed price is L.S. 180 per metric ton (\$1.40 per bushel). For deliveries to centers in the provinces of Aleppo, Homs, Hama, and Damascus, the price is L.S. 220 per metric ton (\$1.68 per bushel).

Tunisian Producer Prices for Grain: Fixed producer prices for the 1954-55 Tunisian grain crop are substantially lower than for last year's crop. The current season's producer prices in francs per quintal, after tax deductions, with corresponding prices for 1953-54 shown in parentheses, are as follows: Durum wheat, 3,520 (3,898); soft wheat, 3,035 (3,385); and barley, 1,743 (2,029). Equivalent prices in dollars per bushel are: Durum wheat, \$2.74 (\$3.03); soft wheat, \$2.36 (\$2.63); and barley, \$1.08 (\$1.26). As usual, premiums and discounts are applicable for variations from the quality standards established for the basic prices. Partially to offset the effect of the lower prices and to encourage the production of better quality wheat, a new premium of 170 francs per quintal (13.2 cents per bushel) was established for wheat having an extensimeter reading of W 180 or higher, plus an additional premium of 36 francs per quintal (2.8 cents per bushel) for dryness.

Japan Sets Producer Price for 1954 Rice Crop: The Japanese producer's basic price for 1954 crop rice has been fixed by the Government at 9,120 yen per koku (\$7.65 per hundred pounds) of brown rice, an increase of 11 percent over last year's price. In addition to the basic price, producers will receive premiums for early deliveries above fixed delivery quotas. As a result of the large 1954 rice crop in comparison to that of last year, such additional payments have been sharply reduced. For the 1954 crop, the additional payments are expected to average only 598 yen per koku (\$0.50 per cwt.) in contrast to 2,512 yen per koku (\$2.11 per cwt.) last year. Thus, the total producer price for 1954 crop rice is expected to average 9,718 yen per koku (\$8.15 per cwt.) compared to 10,712 yen per koku (\$8.99 per cwt.) last year, an overall reduction of 9 percent.

Australian Wheat Stabilization Plan: A Bill was introduced in the Australian House of Representatives on October 20 to write into law the Five-Year Wheat Stabilization Plan outlined in Foreign Crops and Markets of October 4, 1954. This action followed a growers referendum just completed in which wheat farmers voted 46,584 to 2,930 in favor of the plan. The Bill, quick approval of which is expected, will guarantee cost of production returns to growers for domestic sales and exports of up to 100 million bushels per year for a period of 5 years starting with the present crop year.

Wheat Bread in Bangkok, Thailand: The popularity of wheat flour bread appears to be increasing in Bangkok, Thailand, according to the U. S. Agricultural Attache in Bangkok. A small bakery, established about a year ago, now has daily sales reported at 1,000 medium loaves of excellent quality. Another bakery, capable of producing 200 good quality loaves per hour, is planned for operation beginning December 31. Thus Bangkok will have two fairly well equipped commercial bakeries using American formulas. Previously, wheat bread in Bangkok was of ordinary quality, made in small or poorly equipped shops, generally Chinese operated.

India's Price Support Policy for Grain: The policy of the Government of India with respect to produced price supports for grain was announced recently by the Union Minister of Food and Agriculture. He pointed out that producer prices would be maintained at levels which would insure fair returns to producers and reasonable prices to consumers. Policy objectives will be secured, as in the past, he stated, through State Government purchases of domestic grain in the event of low market prices, and sales from reserve stocks in the event of high market prices. The effectiveness of this approach, it was observed, was proved last year when rice purchases by the State Government of Bengal and wheat purchases by the State Governments of Uttar Pradesh and Punjab restored and stabilized rice and wheat prices in those areas.

SICILY CONSIDERING CITRUS EXPORT SUBSIDY

A law, now in the draft stage, which would provide for a subsidy equivalent to 55 cents per box of lemons and 52 cents per box of oranges on fruit exported, is to be introduced in the Sicilian Regional Parliament for consideration during the fall session. Citrus producers and exporters in Sicily have long complained about what they feel to be unequal competition in their traditional foreign markets. They contend that in this subsidy Sicily would be merely following the example of other countries such as Brazil, France, Israel, Portugal, Spain, and the United States.

WEST GERMANY: IMPORTS OF UNMANUFACTURED TOBACCO, FIRST HALF OF 1954

German imports of unmanufactured tobacco increased from the 53 million pounds imported in the first half of 1953 to 62 million pounds for the first half of 1954. Imports from the United States rose from 22.3 million to 26.2 million pounds during the same periods.

A substantially larger amount of Greek tobacco was taken this first half; 13.0 million pounds compared with 8.5 million pounds taken during the period January-June 1953.

West Germany: Imports of Unmanufactured Tobacco
January-June 1953-54

Country of Origin	January-June 1953	January-June 1954
	<u>1000 Pounds</u>	<u>1000 Pounds</u>
United States	22,251	26,229
Greece	8,506	13,048
Turkey	6,209	6,508
Indonesia	2,942	3,621
Brazil	4,827	5,041
Columbia	2,093	2,779
Dominican Republic	1,219	1,814
Other	4,990	3,041
Total	53,037	62,081

U. S. TOBACCO EXPORTS
IN AUGUST 1954

United States exports of unmanufactured tobacco in August 1954 totaled 27.3 million pounds valued at \$18.0 million. This was 1.7 million pounds below July exports and about 21.9 percent below August 1953.

Exports of flue-cured tobacco were 20.8 million pounds in August compared with 25.8 million pounds in August 1953, a 19.3 percent decrease. Exports of Burley, Virginia fire-cured and Kentucky-Tennessee tobacco increased in August compared with the same period in 1953. Green River and One-Sucker tobacco reflect very substantial increases. Exports of 198,000 pounds of Green River tobacco to France, plus exports of 266,000 pounds to the United Kingdom, account for a large part of the increase. In 1953, no Green River tobacco was exported to France and only 4,000 pounds to the United Kingdom for the same period. The bulk of the exports of One-Sucker tobacco (320,000 pounds) in August 1954 were shipped to France, which took no One-Sucker tobacco in 1953. Exports of Maryland tobacco and Cigar Wrapper showed very sharp decreases. Exports of Maryland tobacco to Switzerland in August 1953, totaled 1.2 million pounds compared with 189,000 pounds in August 1954.

In the first 8 months of the current year, total exports of unmanufactured tobacco, at 210.3 million pounds, were 23.2 percent below the same period last year. Exports of flue-cured tobacco, at 156.6 million pounds, were off 29.4 percent. Lower shipments to the United Kingdom for the first 8 months of 1954 (28.5 million pounds compared with 76.8 million pounds for 1953) account for a large part of the decrease. In the late spring of 1953, considerable quantities of tobacco, which normally would have moved to the United Kingdom in the fall of 1952, were exported under the provisions of an option purchase arrangement. Exports of Burley tobacco were 30.1 percent higher than a year ago. Exports of Maryland tobacco, Cigar Wrapper, Cigar Binder and Cigar Filler declined, while exports of most other types increased.

Exports of U. S. Unmanufactured Tobacco, August 1954,
January - August 1954 with Comparisons

Type	(Export Weight)					
	August		Percent	January-August		Percent
	1953	1954		1953	1954	
	: 1,000	: 1,000	: Change	: 1,000	: 1,000	: Change
	: pounds	: pounds		: pounds	: pounds	
Flue-Cured	: 25,799	: 20,808	: - 19.3	: 221,951	: 156,608	: - 29.4
Burley	: 2,107	: 2,754	: + 30.7	: 17,359	: 22,591	: + 30.1
Virginia Fire-Cured	: 379	: 451	: + 19.0	: 2,205	: 2,441	: + 10.7
Dark-Fired Ky-Tenn	: 948	: 1,056	: + 11.4	: 12,440	: 14,625	: + 17.6
Maryland	: 1,324	: 296	: - 77.6	: 5,510	: 4,577	: - 16.9
Green River	: 74	: 480	: + 548.6	: 1,326	: 1,370	: + 3.3
One-Sucker	: 46	: 333	: + 623.9	: 653	: 693	: + 6.1
Cigar Wrapper	: 3,090	: 347	: - 88.8	: 5,462	: 2,106	: - 61.4
Cigar Binder	: 284	: 180	: - 36.6	: 2,229	: 950	: - 57.4
Cigar Filler	: 160	: -	: 0	: 464	: 158	: - 65.9
Other	: 692	: 558	: - 19.4	: 4,144	: 4,169	: + .6
Total	: 34,903	: 27,263	: - 21.9	: 273,743	: 210,288	: - 23.2
Declared value, million dollars	: 20.9	: 18.0	: - 13.9	: 173.5	: 134.1	: - 22.7

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

Exports of U. S. Tobacco Products
August 1954, with Comparisons

Class of Products	August		Percent	Jan-August		Percent
	1953	1954		1953	1954	
	: 1,000	: 1,000	: Change	: 1,000	: 1,000	: Change
Cigars & Cheroots	: 299	: 409	: + 36.8	: 3,591	: 5,474	: + 52.4
(1,000 pieces)						
Cigarettes	: 1,158	: 1,006	: - 13.1	: 10,878	: 10,053	: - 7.6
(million pieces)						
Chewing Tobacco & Snuff	: 125	: 242	: + 93.6	: 835	: 1,168	: + 39.9
(1,000 pounds)						
Smoking Tobacco in Packages	: 67	: 34	: - 49.3	: 442	: 354	: - 19.9
(1,000 pounds)						
Smoking Tobacco in Bulk	: 462	: 300	: - 35.1	: 2,948	: 2,682	: - 9.0
(1,000 pounds)						
Declared value	: 4.7	: 4.2	: - 10.6	: 42.1	: 40.6	: - 3.6
(million dollars)						

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

Exports of tobacco products, valued at \$4.2 million, were about 11 percent lower in August 1954 than in the same month last year. All products, with the exception of cigars and cheroots and chewing tobacco and snuff, showed decreases.

Exports of cigarettes and smoking tobacco in packages and bulk were lower in the January-August 1954 period than in the corresponding period in 1953. Exports of cigars and cheroots and chewing tobacco and snuff were higher than in 1953.

1953 TURKISH TOBACCO CROP MOVES INTO EXPORT CHANNELS

Nearly all of the 1953 Turkish tobacco crop of approximately 249 million pounds has been delivered to the merchants, export buyers and the Monopoly. This tobacco which was manipulated during the spring and summer is now ready for export, which began on a substantial scale during late September. Quality is said to be better than usual and a strong export market is expected.

Izmir tobacco interests estimate that there are 110 million pounds of American grade Aegean tobacco available which will move readily at an average price of 64-65 cents per pound. Estimated sales are 55 million pounds to United States buyers, 11 million to England, 11 million to West Germany, 4.4 million to France and 11 million to Soviet Bloc countries with smaller amounts to Switzerland, Belgium and Sweden. In September, purchases of 1953 tobacco by East Germany were heavy with considerable advance buying from the 1954 crop.

Quality of the 1954 crop is reported to be good to excellent. Production in the Aegean area is estimated at 15-20 percent under last year's crop but output in other tobacco-producing areas is estimated to be about the same as 1953. The 1954 crop in the Izmir district is estimated at about 116 million pounds. Forward buying of the 1954 crop is reported to be on a larger scale than usual--apparently as a result of tightening credit and the growers need for immediate cash. Prices of 40 to 45 cents per pound are reportedly being paid for unmanipulated 1954 tobacco to be delivered when the market officially opens in January.

EAST GERMANY INCREASES IMPORTS OF MEAT FROM DENMARK

In recent months there has been a marked increase in Danish exports of live animals and meat products to East Germany. During the first 8 months of 1954 exports of live animals for slaughter and meat and meat products totaled 25.4 million kroner, 46 percent greater than the same period a year earlier. The exports were principally live cattle for slaughter and fresh beef. The trade in live animals and meat products in 1954 accounted for 31 percent of East Germany's imports from Denmark.

Meat supplies in the Soviet Zone of Germany have been small relative to the demand at controlled prices. The larger imports are part of the Government's program to increase supplies of food and reduce consumer prices.

WORLD BUTTER AND CHEESE PRICES

DAIRY PRODUCTS: Current Wholesale prices at specified markets with comparisons

(In U. S. Cents Per Pound)

Country, market and description	Butter				Cheese			
	Quotations				Quotations			
	Date	Price	Month	Year	Date	Price	Month	Year
	1954		earlier	earlier	1954		earlier	earlier
<u>United Kingdom (London)</u>								
Group 1	:Sept.30:	46.2:	46.2:	-	:Sept.30:	23.7:	22.5:	-
Group 2	:Sept.30:	43.7:	43.7:	-	:Sept.30:	17.5:	18.1:	-
Group 3	:Sept.30:	42.5:	42.5:	-	:Sept.30:	16.9:	16.9:	-
National butter	:Oct. 9 :	- :	- :	41.0 :	- :	- :	- :	-
Ration varieties	: - :	- :	- :	-	:Oct. 9 :	- :	- :	25.0
<u>Australia (Sydney)</u>								
Choicest butter	:Oct. 2 :	41.6:	41.6:	41.6 :	- :	- :	- :	-
Choicest Cheddar	: - :	- :	- :	-	:Oct. 2 :	25.7:	25.7:	25.7
<u>Irish Republic (Dublin)</u>								
Creamery butter (bulk)	:Oct. 1 :	48.8:	48.8:	54.7 :	- :	- :	- :	-
Cheese	: - :	- :	- :	-	:Oct. 1 :	30.8:	30.8:	30.8
<u>Denmark (Copenhagen)</u>	:Sept.30:	42.0:	42.0:	42.0 :	- :	- :	- :	-
<u>France (Paris)</u>								
Charentes Creamery butter	:Sept.30:	71.9:	71.3:	92.0 :	- :	- :	- :	-
<u>Germany (Kempten)</u>								
Markenbutter	:Sept.29:	62.2:	61.6:	58.9 :	- :	- :	- :	-
<u>United States</u>								
92-score creamery(N.Y.)	:Oct. 8 :	60.2:	58.3:	66.9 :	- :	- :	- :	-
Cheddar (Wisconsin)	: - :	- :	- :	-	:Oct. 8 :	32.5:	32.0:	36.1
<u>Netherlands (Leeuwarden)</u>								
Creamery butter	:Oct. 2 :	45.9:	45.9:	46.1 :	- :	- :	- :	-
Full cream Gouda	: - :	- :	- :	-	:Sept.24:	24.6:	23.0:	24.2
Edam 40 percent	: - :	- :	- :	-	:Sept.24:	22.3:	20.6:	23.0
<u>Belgium (Hasselt)</u>	:Sept.30:	78.0:	72.7:	78.0 :	- :	- :	- :	-
<u>Canada (Montreal)</u>								
1st grade creamery	:Sept.25:	59.8:	59.8:	61.0 :	- :	- :	- :	-
Ontario white	: - :	- :	- :	-	:Sept.25:	30.9:	30.9:	30.1

Sources: Intelligence Bulletin, The Commonwealth Economic Committee; U. S. Consular Reports; and The Dairy Division, Agricultural Marketing Service, U.S.D.A.

CUBAN SHELL EGG TARIFF AGAIN IN EFFECT

The Cuban Ministry of Commerce in Resolution No. 99 of October 13, 1954, announced on October 19, 1954, it has prohibited the further importation of fresh hen eggs with the benefit of lower tariffs. The official reason given is that at present there is no shortage of fresh eggs in Cuba.

QUOTAS TO BE SET ON CATTLE EXPORTS
FROM MEXICO TO THE U.S.

Following the expected opening of the United States-Mexican border to imports of cattle on January 1, export quotas will be established by a Commission composed of representatives of the Agriculture, Treasury, and Economy Departments and of the Federal District of Mexico in order to insure that domestic supplies of fresh beef at centers of consumption will not be diminished and that packing plants will be able to obtain their operating needs. A ban is expected on exports of breeding stock to provide for expansion of Mexico's herds.

The Regional Cattlemen's Association of the State of Coahuila has asked cattle producers to estimate their sales during the coming year. It is expected that the quota for export to the United States will amount to 40,000 head for the year 1955, the same as was established for the year beginning September 1, 1952. If beef prices in the United States increase from present levels more cattle could be shipped in the form of beef. It is estimated that there are approximately 427,000 head of cattle in the State.

The current cattle population in the State of Chihuahua is calculated by the Cattlemen's Union as about 640,000 head, considerably less than a year ago and about one-third the population before the drought cycle which began 8 years ago. The Union estimates that roughly 80,000 head will become available for export to the United States in 1955 compared with a quota of 170,000 head set in the fall of 1952.

Purchases of steers have been reported in Coahuila at around $8\frac{1}{2}$ cents per pound for export to the United States when the border opens. Considering the costs involved in getting cattle into the United States they could be delivered at United States border cities at around 16 to 18 cents a pound. These prices appear to be closely in line with those for comparable steers in the United States.

Much rain has fallen in Northern Mexico during the summer and fall. Both ranges and cattle are in good condition. August rains in parts of Chihuahua supplied more moisture than the precipitation in all of 1953. Abundant rains have also fallen in Tamaulipas, Coahuila, and Sonora.

The two meat packing plants in Piedras Negras have been closed for the summer but hope to open this fall and winter. Cattle prices are so high that there is little profit in shipments of boneless beef to the United States. The market for cattle and beef in the Mexican cities has improved, and it is reported that some cattle for local slaughter have sold at Piedras Negras for the equivalent of 7.8 cents per pound. Boneless lightly salted beef from such cattle could be delivered at border cities in Texas only at higher prices than for boneless beef in Chicago and other United States markets.

There have been several other developments in the meat-packing industry in recent months. The local slaughter plant in Tampico has been in operation throughout the summer and slaughtered over 5,000 head of cattle. Most of the plant's production was exported, with about 2.2 million pounds of frozen beef being shipped to Czechoslovakia between July 25 and September 30. Two packing houses located in the State of Sonora will reopen soon as a result of loans by the Mexican government. These plants, operated by the Mexican Cattlemen's Association, located at Hermosillo and Agua Prieta have been closed for some time due to financial difficulties.

Meat dealers in the United Kingdom are investigating the possibility of buying frozen beef from Coahuila. It is reported that purchases of 90,000 pounds are under consideration.

URUGUAYAN WOOL SITUATION

A wool clip of around 95,000 metric tons, or 210 million pounds, slightly larger than last year's output is forecast for the 1954-55 season. Shearing of sheep is in full progress at this time. Nearly half of the clip will consist of 58/60's crossbred. Fleeces 56's and higher (apparel grades) will account for approximately 90 percent of all wool shorn, according to trade sources. Wool quality (color and staple) compares favorably with that of the previous season.

About 95 percent of the new clip plus carry-in stocks estimated at 22 million pounds, greasy basis, will be available for export during the 1954-55 season, beginning October 1. Lots retained for domestic consumption consist of Merino (64/70's).

There is little off-shore interest for new clip wool and carry-in stocks. Consequently, prices are not quoted at the local Commodity Exchange (Camara Mercantil de Productos del Pais). Very little new-clip wool has been contracted or purchased from growers. Japanese buyers, however, are reportedly considering a sizable quantity of wool tops (valued at 4.0 million dollars) for delivery during the first 6 months of the current wool year.

The volume of wool exports during 1953-54 was considerably below the record shipments of the preceding year when a "clip and a half" moved abroad. Last season a total of 156,853 bales was shipped compared to 260,194 bales for 1952-53. For the second consecutive year the United Kingdom was the leading destination for Uruguayan wool, taking a total of 45,474 bales. The Netherlands ranked second and the United States fell to third place with 25,907 bales. These exports represented about 104 million pounds of greasy wool, 19 million scoured wool, 25 million of wool tops and a small amount of other processed wool.

According to trade sources at least three-fourths of the 1953-54 shipments to the United Kingdom were transshipped to the Soviet Union and Satellite countries. Also some of the shipments to the Netherlands included reexports to these countries. Direct purchases of greasy wool by the Soviet Union totaled about 3 million pounds.

MEXICAN IMPORTS OF BREEDING CATTLE

Mexican imports of dairy cattle from Canada have increased in recent months, because of the lower prices in Canada, and total imports of dairy cattle might increase further. A rapid expansion in dairying in Mexico is expected in the next few years. Imports of dairy cattle for breeding from all countries during 1953 totaled 1,083 of which about 85 percent were from the United States and 15 percent from Canada.

Mexican imports of beef cattle for breeding during 1953 totaled 3,814 head. Practically all of the cattle were obtained in the United States.

DAIRY PRICE SITUATION IN AUSTRALIA

The increase of factory production of butter in August of almost 58 percent over July figures and 22 percent over last year, indicates that a change-over from cheese to butter production is underway in Australia. The change is caused by the fact that trade authorities believe that the United Kingdom market will be over-supplied with cheese in the near future and that a further decline in returns to Australian producers would further aggravate the butter/cheese ratio.

Fixed wholesale prices on the Australian market are unchanged, but export prices under the long-term bulk contract with the United Kingdom are still the subject of negotiations. Since it is expected that there will be some downward adjustment made in the prices, contract shipments are currently being invoiced by the Commonwealth Dairy Equalization Committee at 39.4 cents a pound for choice butter and 21.2 cents a pound for choice cheese; the 1953-54 contract prices were 40.8 cents per pound for butter and 22.8 cents for cheese per pound.

During the last fiscal year, the overall return to butter manufacturers was 48.3 cents a pound while the equalized return on cheese was 26.1 cents per pound. This year the overall values are being set at 47.7 cents for butter and 23.6 cents for cheese.

COLOMBIA INCREASING ITS EGG IMPORTS

Following the substantial reduction in Colombia's import duty on shell eggs on July 22, 1954 and the simultaneous reversal of a previous decision to refuse import permits for fresh eggs the Colombia Ministry of Agriculture continues to be deluged with requests for import permits.

During the first 4 weeks following the removal of restrictions the Ministry granted import permits for approximately 46,670 cases of fresh eggs. The bulk of the early imports were made by the Consumers Cooperative of Bogota which has 69 retail outlets. The Cooperative has announced that it plans to import 4,167 cases of eggs each week from now on. In recent weeks, private importers all over Colombia have purchased steadily increasing quantities of eggs from the United States, and import permits are currently being granted for approximately 16,667 cases of eggs per week.

NIGERIA REVISES PEANUT PRICE STRUCTURE FOR 1954-55

The Nigerian Groundnut Marketing Board has revised the buying price structure for peanuts in the Kano area for the 1954-55 season, reports the American Consulate General, Lagos. Minimum prices to be paid producers at the various railhead buying stations range from £36-0-0 to £37-9-6 per long ton (\$90.00-\$93.70 per short ton), bulk ex-scale, as compared with a flat rate of £36 per ton at all buying stations during the preceding 1953-54 season.

The revision of the buying price structure in the Kano area was necessitated by the introduction of a new scale of railway freight rates for peanuts. Previously, the Nigerian Railway had charged a flat rate for peanuts which effectively embraced all railhead stations in the area.

The basic ex-scale price of peanuts in the Rivers area will remain unchanged at £36 per long ton. However, it is expected that during the current season a review will be made to determine, in view of the changes in the Kano area, what changes, if any, should be made in subsequent seasons.

The above producer prices for peanuts in both the Kano and Rivers areas are subject to a Produce Sales Tax deduction of £1 per ton (\$2.50 per short ton).

The Nigerian Groundnut Marketing Board also announced that the bulk ex-scale buying station price for soybeans for the 1954-55 season will be £20 per long ton (\$50 per short ton). This price is subject to a Produce Sales Tax of 2 shilling, 6 pence per ton (31 cents per short ton).

AUSTRALIA'S WEST-COAST WHALING STATIONS END SUCCESSFUL SEASON

Australia ended a highly successful west-coast whaling season on September 15, 1954, when the last of the 3 companies operating in that area filled its catch-quota of 600 whales, according to information available to the Foreign Agricultural Service. One shore station, located at Carnarvon, completed its season on August 31 with 600 whales taken in a record 85 days. A smaller company, with an increased quota of 120 whales, also finished late in August.

Although whales were reported as somewhat thinner than in previous years, improved plant and handling facilities are expected to increase financial returns. All products had been sold early in the season, and by late September most of the whale oil and other export products had been shipped to Europe. (See Foreign Crops and Markets of July 12, 1954, page 40.)

Data regarding total production of whale oil by all 5 Australian shore stations are not yet available. In 1953, 4 Australian shore stations produced some 19,000 short tons of whale oil, nearly all of which was exported.

In addition to the 3 whaling companies operating in Western Australia, 2 companies are located in New South Wales. According to one source, one of the latter 2 concerns was allotted a quota of 600 whales (a reduction of 100 from the 1953 quota) in 1954 and the other, established this year, a quota of 120 whales.

PARAGUAY MAY DEVELOP VEGETABLE WAX INDUSTRY

The caranday palm tree of Paraguay, which grows extensively on the Chaco side of the Rio Paraguay, may soon become one of the principal dollar earners of that country, according to a Foreign Operations Administration report prepared by Frederic R. Fisher of the United States Operations Mission-Paraguay staff. As in the case of the carnauba palm of northeastern Brazil, the caranday is valued as a source of a hard vegetable wax, which forms on its leaves as a protective coating against excessive evaporation of water. According to analytical tests, the Paraguayan wax is almost indistinguishable from carnauba wax in most respects.

With the increasing demand and relatively static production of carnauba wax, the development of the caranday wax industry in Paraguay appears almost assured. The previous operation of pilot plants has provided information needed as a basis for the erection and operation of commercial size plants. According to the report, such plants could be erected at moderate cost and within a year could be producing sufficient wax to supply Western Hemisphere and European demand not now met by the carnauba palm.

(Note: United States imports of carnauba wax in 1953 totaled 6,767 short tons, almost all of which came from Brazil. Early October 1954 prices of carnauba wax, f.o.b. New York, per pound were: yellow No. 1 - \$1.02-\$1.04; Parnahyba - \$1.07-\$1.09; and No. 3 crude Ceara - \$0.71-\$0.73.)

SPAIN INCREASES COTTON IMPORTS IN 1953-54

Cotton imports into Spain during the year ending July 31, 1954, amounted to 348,000 bales (500 pounds gross) or 14 percent higher than the 306,000 bales imported in the preceding year, according to H. R. Zerbel, American Consulate General, Barcelona. Imports from the United States were 198,000 bales or 42 percent above the 139,000 bales imported in the year 1952-53. Other major sources of Spain's cotton imports in the 1953-54 season, with 1952-53 figures in parentheses were: Egypt 59,000 (77,000); Brazil 57,000 (34,000); India 15,000 (36,000); Iran 8,000 (5,000); and Syria 4,000 (6,000).

Cotton consumption in Spain during the 1953-54 year is estimated at 375,000 bales, about 327,000 bales being imported cotton consumed by mills in the Barcelona area, and the remaining 48,000 bales representing locally-grown cotton not included in official consumption statistics. The 1953-54 production of cotton in Spain amounted to approximately 75,000 bales, excluding that produced in Spanish Morocco and the Canary Islands. About 15 percent of the domestic crop is Egyptian-type cotton of the Karnak variety.

Estimated cotton stocks at mills and interior warehouses increased from approximately 38,000 bales on August 1, 1953 to nearly 80,000 bales on July 31, 1954, an approximate $2\frac{1}{2}$ -month supply. The increase was due in part to late-season arrivals of large quantities of United States cotton purchased through a loan of \$12 million from the Export-Import Bank, and an authorization of \$14 million under Section 550 of the Mutual Security Act of 1953, which provided for purchase of United States commodities with foreign currencies.

The National Cotton Center of Barcelona has completed a recent purchase of 5,500 bales of Type 4 Brazilian cotton. The cotton is to be paid for under the Spanish-Brazilian clearing agreement, and the prices fixed in clearing dollars on a cost and freight basis. The fiber is to be shipped in November and will be subject to normal arbitration in Barcelona. In case of unsatisfactory shipment the cotton will be subject to double penalty.

U. S. COTTON EXPORTS IN AUGUST AT LAST YEAR'S LEVEL

Exports of cotton from the United States, amounting to 198,000 bales of 500 pounds gross (190,000 running bales) in August were nearly equal to the total of 202,000 bales (193,000 running bales) for August 1953. August exports are usually the lowest for any month of the year and at this early date provide little evidence of a trend in export trade for the coming year.

UNITED STATES: Exports of cotton by countries of destination; averages
1935-39 and 1945-49; annual 1952 and 1953;
August 1953 and 1954

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1				August	
	Averages		1952	1953	1953	1954
	1935-39	1945-49				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria.....	0:1/	36	47:	42:	1:	1
Belgium-Luxembourg...	169	131	73:	68:	3:	5
Czechoslovakia.....	65	57	0:	0:	0:	0
Denmark.....	33	14	34:	23:	1:	1
Finland.....	35	21	4:	10:	0:	0
France.....	662	575	507:	475:	19:	14
Germany.....	511	340	241:	389:	13:	20
Italy.....	442	489	272:	269:	10:	7
Netherlands.....	107	131	79:	104:	5:	4
Norway.....	17	7	11:	14:	1:	2/
Poland and Danzig...	180	69	0:	0:	0:	0
Portugal.....	36	2/	1:	0:	0:	0
Spain.....	108	69	77:	167:	12:	1
Sweden.....	115	12	36:	43:	1:	1
Switzerland.....	11	26	28:	24:	2:	3
United Kingdom.....	1,346	488	359:	422:	9:	22
Yugoslavia.....	17	47	86:	40:	17:	3
Other Europe.....	31	3/ 33	6:	10:	1:	0
Total Europe....	3,885	2,545	1,861:	2,100:	95:	82
Canada.....	301	275	284:	237:	9:	24
Chile.....	9	20	1:	27:2/	:	1
Colombia.....	20	24	35:	7:	0:	2/
Cuba.....	11	16	12:	20:2/	:	3
India.....	52	86	45:	161:	2:	2
China.....	117	401	0:	0:	0:	0
French Indochina....	22	6	18:	16:	0:	0
Indonesia.....	2/	5	17:	22:	1:	1
Japan.....	1,142	585	691:	1,005:	61:	40
Korea, Republic of..	4/	5/ 48	41:	96:	26:	20
Taiwan (Formosa)....	4/	1	107:	110:	0:	15
Australia.....	9	7	11:	45:	2:	3
Other countries.....	21	46	6/ 58:7/	68:	6:	7
Total.....	5,589	4,065	3,181:	3,914:	202:	198

2/ Less than 500 bales. 3/ Includes Greece 21. 4/ If any, included in "Other countries." 5/ Three-year average. 6/ Mostly minor countries in Asia (35) and Africa (25). 7/ Israel 14, Republic of Philippines 16.

1/ Four-year average.

Compiled from official records of the Bureau of the Census.

Cotton trade data published weekly by the New York Cotton Exchange for the current market year through October 21 indicates that the export movement in the first 3 weeks of October was heavy and the August-October 1954 total may exceed by around 100,000 bales last year's official figure of 641,000 bales (610,000 running bales) for a similar period. A total of 4.5 million running bales is forecast by the Department for the 1954-55 market year compared with last year's reported total of 3,761,000 bales.

WORLD COTTON STOCKS UP 15 PERCENT

Stocks of cotton in the world on August 1, 1954, are now placed at 19.8 million bales, an increase of about 15 percent over the 17.2 millions reported a year earlier.

The outstanding changes in world cotton stocks in 1953-54 were a rise of nearly 4.0 million bales in United States stocks between August 1, 1953, and August 1, 1954, while stocks in foreign countries decreased by 1.3 million bales. (Foreign Free World stocks were down by 1.5 million.) In 1952-53 United States stocks rose by 2.8 million bales while those in foreign countries declined by about 800,000 bales. At the beginning of the current season supplies in nearly all foreign countries, whether importing or exporting, were little above the minimum needed for working stocks. United States stocks of 9,576,000 bales were about 70 percent of all stocks held in exporting countries and about 48 percent of the world total.

Stocks in foreign importing countries (excluding Communist) on August 1, 1954, were about equal to the 4,850,000 bales on hand a year ago after a decline from 5.7 million in 1952. At the current level of mill consumption, stocks in these countries average less than 4 months' mill requirements. They now are generally at a minimum working level and may be expected to rise slightly during the year ahead if world prices of cotton remain stable.

In the foreign exporting countries (excluding Communist) practically all old-crop surpluses had been exported by August 1, 1954, or were sold and awaiting shipment. The total of 3.4 million bales for this group represented a decrease of 1.6 million bales from the estimate of 5.0 million for August 1, 1953, which in turn was 800,000 bales lower than the estimate for a year previous. This rapid liquidation of stocks in these countries may be attributed partly to a sharp cut in prices prompted by expectations on the part of foreign exporters that some kind of action by the United States Government to reduce prices of cotton for export was imminent.

Since these surpluses have now been liquidated, prices of foreign-grown cotton are more nearly in line with those of United States cotton. It is entirely possible that stability of world cotton prices this year may induce slower marketing of the 1954-55 crops and some rise in stocks on hand August 1, 1955.

Stocks in Communist countries are not known but are believed to have increased during 1953-54 by about 100,000 bales as a result of larger crops in China and the Soviet Union. Reduced production in China in 1954-55 may result in lower stocks in 1955 for the group as a whole unless imports from the Free World are increased.

COTTON: Estimated world stocks, by principal countries,
July 31, 1954, with comparisons 1/

(In bales of 500 pounds gross)

Country	Stocks on hand July 31			
	1939	1952	1953	1954
	<u>bales</u>	<u>bales</u>	<u>bales</u>	<u>bales</u>
<u>Surplus countries</u>				
Mexico 2/.....	150	205	110	80
United States 3/.....	13,033	2,789	5,605	9,576
Iran.....	40	30	10	10
Pakistan.....	-	375	385	260
Turkey.....	70	160	160	100
Argentina.....	243	560	465	425
Brazil.....	661	1,500	2,050	1,200
Paraguay.....	11	32	30	20
Peru.....	200	240	230	235
Anglo-Egyptian Sudan.....	107	125	240	185
Belgian Congo.....	150	122	80	75
British East Africa.....	75	170	76	50
Egypt.....	325	850	845	495
French Equatorial Africa.....	15	105	65	100
Others 4/.....	1,055	977	1,052	983
Total surplus countries.....	16,135	8,240	11,403	13,794
<u>Deficit countries</u>				
Canada.....	56	72	65	39
Cuba.....	10	4	5	7
Belgium.....	150	118	105	115
France.....	700	263	339	367
Western Germany.....	5/	200	213	259
Italy.....	250	415	350	250
Netherlands.....	80	51	53	70
Spain.....	50	44	38	80
Sweden.....	60	102	109	103
Switzerland.....	100	88	95	100
United Kingdom.....	1,045	1,282	1,016	905
China, incl. Manchuria 6/.....	900	450	350	400
India 6/7/.....	2,165	2,165	1,570	1,735
Japan.....	556	520	520	400
Korea 6/.....	43	19	8	33
Colombia.....	5	65	57	55
Australia.....	20	22	19	30
Others 8/.....	875	522	574	628
Total deficit countries.....	7,065	6,402	5,486	5,576
Afloat 9/.....	550	500	300	450
World total.....	23,750	15,142	17,189	19,820

1/ Estimates for Southern Hemisphere countries include unginned cotton on hand at the end of July. 2/ Stocks on June 30 (Mexican crop year). 3/ Running bales. 4/ Mostly U.S.S.R., Mozambique, and Nigeria. 5/ Included with "Others." 6/ Includes estimates for noncommercial stocks. 7/ Includes Pakistan prior to partition in August 1947. 8/ Mostly countries in Europe and South America not listed above. 9/ Estimated.

Assuming a continuation of world cotton consumption near the high level of 1953-54, consumption would exceed preliminary estimates of world production by 300,000 to 500,000 bales and bring about a reduction in world stocks by that amount. Also, this would still leave the United States in possession of most of the world's surplus stocks of cotton on August 1, 1955. If current estimates of production and disappearance of United States cotton in 1954-55 prove to be accurate, stocks in this country on August 1, 1955, should be down by approximately 1.0 million bales. A slight increase of 500,000 to 700,000 bales in foreign stocks would then be indicated.

This is one of a series of regularly scheduled reports on world agricultural developments approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other United States representatives abroad.

COTTON CONSUMPTION IN PORTUGAL CONTINUES TO RISE

Portugal's consumption of cotton in the marketing year 1953-54 reached an all-time high of 193,000 bales. Increased mill utilization is attributed largely to improvement in the domestic market for cotton piece goods which came about as a result of the relatively favorable farm harvests of 1953.

Cotton imports reached a record total of 197,000 bales. Mozambique, the traditional major supplier, played a more important role than usual, accounting for about 80 percent of all cotton imports. No cotton was imported from the United States and only small quantities from Egypt and Brazil. Imports of about 14,000 bales from Brazil were mainly for the purpose of contributing toward a reduction of Portugal's excessive cruzeiro credit position with that country. Prices for Brazilian cotton were about 30 percent above the controlled price of the best colonial grades, making it necessary to resort to the National Supply Fund to subsidize sales to the mills.

The 1954-55 prospective levels of consumption is placed by Portuguese sources at a little over 200,000 bales. Based on a reported sizable reduction in the current (1954-55) crop in Mozambique, it would appear that Portuguese expectations of obtaining 180,000 bales of their requirements from this colony and Angola may prove unduly optimistic. Should imports from these two colonies fall short of expectations, and consumption again increase, either stocks will have to be reduced below the 42,000 bales (about 2-1/2 months' supply) available on August 1, 1954, or imports from other sources will have to be increased.

In the event that supplies from the colonies have to be supplemented, it is quite probable that despite the necessity for a subsidy to importers, Brazilian cotton will again be favored by Portuguese authorities for balance of payments reasons. However, it is possible that some United States cotton may be imported into Portugal during the current market year.

U.S. FOREIGN AGRICULTURAL TRADE DURING AUGUST, 1954

Export Highlights

August farm exports this year were 6 percent under last year. United States exports of agricultural products totaling \$186 million in August 1954 were \$11 million, or 6 percent, smaller than in the same month of 1953 and 13 percent under July this year. Combined farm exports during July and August of \$399 million this year were 1 percent greater than for the like period last year. The lower level of farm exports this August reflected reductions in shipments of wheat, corn, tobacco, and dry edible beans that were only in part offset by gains in exports of tallow, flaxseed, linseed oil, cottonseed oil, grain sorghums, and wheat flour. Shipments of cotton and lard remained near the levels of August 1953.

January-August farm exports rise 5 percent. United States agricultural exports for the January-August period this year totaled \$1,865 million as compared with \$1,772 million last year, a gain of over 5 percent.

Cotton trading is at usual low level for season's start. Cotton exports had been running ahead of a year earlier since the start of 1954, but the gain did not continue into August 1954; that month's exports, amounting to 198,000 bales, were 4,000 less than in August 1953. August, the first month of the marketing year, is normally a low export month. July-August exports of 435,000 bales this year were 35 percent larger than last year. Cotton export prospects look favorable for the 1954-55 crop year; this is indicated by decreased stocks abroad and a somewhat improved competitive price position. Deficit countries held smaller stocks in 1954 than in any previous postwar year.

Wheat exports continue to reflect large world supplies. Exports of wheat and wheat flour in August 1954 were 15 million bushels as compared with 21 million in August last year and in July this year. Shipments in the July-August period totaled 36 million bushels this year and 47 million last year. World wheat production outside the Big Four exporters (United States, Canada, Australia, and Argentina) is near the 1953 level; declining world trade has affected this country's exports more adversely than other exporting countries' exports. Even though United States exports of wheat and flour during the first 2 months of the current season were below the past season's shipments, indications are that they may increase in subsequent months and that the total for all of 1954-55 may be larger than the 219 million bushels exported in the previous year. This season's IWA sales through October 19 were larger than last year's: 39 million bushels as compared with 31 million.

Tobacco shipments start seasonal climb. United States exports of tobacco this August were 27 million pounds as compared with 32 million in August a year earlier; August exports gained seasonally over the 21 million pounds shipped in July. Combined July and August exports were about the same this year and last.

(Text continued on Page 495; tables on following pages)

UNITED STATES: Summary of exports, domestic, of selected
agricultural commodities and groups during August 1953 and 1954

Commodity exported	Unit	August			
		Quantity		Value	
		1953	1954	1953	1954
				1,000	1,000
ANIMAL PRODUCTS:		<u>Thousands</u>	<u>Thousands</u>	<u>dollars</u>	<u>dollars</u>
Cheese	Lb.	291	372	138	147
Milk, condensed	Lb.	937	27	228	6
Milk, evaporated	Lb.	10,449	10,488	1,479	1,563
Milk, whole, dried	Lb.	6,105	4,178	3,087	2,128
Nonfat dry milk solids	Lb.	7,801	4,782	695	654
Eggs, in the shell	Doz.	3,731	4,265	1,870	1,465
Beef and veal, total <u>1/</u>	Lb.	2,973	1,650	718	461
Pork, total <u>1/</u>	Lb.	5,865	3,779	1,634	1,251
Other meats <u>1/</u>	Lb.	4,706	6,829	1,334	1,869
Lard	Lb.	34,505	29,047	4,732	5,504
Tallow, edible and inedible	Lb.	88,746	96,637	4,557	6,864
VEGETABLE PRODUCTS:					
Cotton, unmfed., excl. linters (480 lb.):	Bale	202	198	35,042	34,988
Apples, fresh	Lb.	2,180	2,081	198	194
Grapefruit, fresh	Lb.	4,050	7,120	186	354
Oranges and tangerines	Lb.	67,016	27,279	2,417	2,116
Pears, fresh	Lb.	5,771	7,731	584	719
Prunes, dried	Lb.	3,468	846	564	169
Raisins and currants	Lb.	6,297	12,461	670	1,014
Fruits, canned	Lb.	17,836	23,161	2,839	3,495
Fruit juices	Gal.	1,806	1,939	1,862	1,772
Barley, grain (48 lb.)	Bu.	1,819	1,546	2,727	1,891
Barley, malt (34 lb.)	Bu.	390	263	980	625
Corn, grain (56 lb.)	Bu.	8,665	6,872	15,327	11,553
Grain sorghums (56 lb.)	Bu.	1,285	3,311	1,983	3,525
Rice, milled, excludes paddy	Lb.	55,071	73,583	5,859	6,621
Wheat, grain (60 lb.)	Bu.	18,911	12,325	40,344	21,311
Flour, wholly of U.S. wheat (100 lb.)	Bag	650	1,227	3,132	5,160
Flour, not wholly of U.S. wheat (100 lb.):	Bag	126	57	742	299
Hops	Lb.	230	334	119	166
Nuts and preparations	Lb.	1,708	1,854	572	675
Soybeans, except canned (60 lb.) ..	Bu.	1,251	738	3,563	2,889
Soybean oil, crude, refined, etc.	Lb.	8,302	2,165	988	337
Cottonseed oil, crude, refined, etc.	Lb.	2,889	22,369	393	2,780
Seeds, field and garden	Lb.	3,119	3,019	449	491
Tobacco, flue-cured	Lb.	25,799	20,808	16,710	14,461
Tobacco, leaf, other	Lb.	5,985	6,304	4,205	3,571
Beans, dried	Lb.	28,303	8,960	2,053	717
Peas, dried	Lb.	1,947	4,021	163	276
Potatoes, white	Lb.	23,862	31,676	464	787
Vegetables, fresh, other	Lb.	13,830	19,126	595	885
Vegetables, canned	Lb.	9,070	10,297	1,339	1,512
Food exported for relief, etc.				2,896	1,448
Other agricultural commodities				26,533	36,935
TOTAL AGRICULTURAL				196,970	185,648
TOTAL ALL COMMODITIES				1,177,489	1,139,982

1/ Product weight.

Compiled from official records, Bureau of the Census.

UNITED STATES: Summary of imports for consumption
of selected agricultural commodities and groups during August 1953 and 1954

Commodity imported	Unit	August			
		Quantity		Value	
		1953	1954	1953	1954
SUPPLEMENTARY				1,000	1,000
ANIMALS AND ANIMAL PRODUCTS:		Thousands:	Thousands:	dollars	dollars
Cattle, dutiable	No.	10	3	1,938	458
Cattle, free (for breeding)	No.	2	2	652	387
Casein and lactarene	Lb.	6,900	4,581	891	875
Cheese	Lb.	2,824	2,934	1,432	1,562
Hides and skins	Lb.	13,480	10,656	6,155	4,578
Beef and veal, total 1/	Lb.	13,011	10,726	4,375	3,265
Pork, total 1/	Lb.	11,689	14,269	8,396	9,451
Wool, unmfed., excl. free, etc.	Lb.	16,178	14,056	13,436	12,084
VEGETABLE PRODUCTS:					
Cotton, unmfed., excl. linters (480 lb.)	Bale	9	9	1,423	2,172
Jute and jute butts, unmfed. (2,240 lb.)	Ton	3	4	512	1,065
Olives in brine	Gal.	808	1,073	1,246	1,922
Pineapples, prep. or preserved	Lb.	12,733	4,204	1,591	483
Other fruits and preparations		2/	2/	3,350	6,686
Barley, grain (48 lb.)	Bu.	4,240	2,374	6,076	2,943
Oats, grain (32 lb.)	Bu.	7,183	382	5,174	331
Wheat and flour (grain equiv. 60 lb.)	Bu.	414	406	945	907
Feeds and fodders		2/	2/	2,845	2,475
Nuts and preparations		2/	2/	4,796	4,455
Castor beans	Lb.	9,774	8,325	636	392
Copra	Lb.	46,797	49,116	3,884	3,384
Oils, fats, waxes, veg. expressed	Lb.	32,263	44,988	6,965	6,581
Sugar, cane (2,000 lb.)	Ton	379	369	43,779	41,740
Molasses, unfit for human consumption	Gal.	19,773	27,828	1,870	2,771
Tobacco, cigarette leaf	Lb.	7,036	7,781	4,824	5,278
Tobacco, other leaf	Lb.	1,310	1,612	2,227	2,410
Seeds, field and garden		2/	2/	969	1,615
Potatoes, white	Lb.	140	3/	2	3/
Tomatoes, natural state	Lb.	3,399	2,495	193	163
Other supplementary				18,997	12,150
Total supplementary				149,579	135,583
COMPLEMENTARY					
Silk, raw	Lb.	564	856	2,583	3,676
Wool, unmfed., free in bond	Lb.	12,146	12,645	6,051	7,060
VEGETABLE PRODUCTS:					
Bananas	Bunch	3,687	3,852	4,775	5,184
Coffee (ex. into Puerto Rico)	Lb.	173,902	115,630	92,739	89,924
Cocoa or cacao beans	Lb.	30,406	27,994	9,343	16,180
Tea	Lb.	7,766	5,765	3,507	2,853
Spices (complementary)	Lb.	4,651	6,817	3,617	3,395
Sisal and henequen (2,240 lb.)	Ton	10	11	2,099	2,043
Rubber, crude	Lb.	98,965	132,437	21,694	27,214
Other complementary				6,650	10,482
Total complementary				153,058	168,011
TOTAL AGRICULTURAL COMMODITIES				302,637	303,595
TOTAL ALL COMMODITIES				835,415	826,540

1/ Product weight. 2/ Value only. 3/ Less than 500.

Compiled from official records, Bureau of the Census.

ARGENTINA'S LINSEED OIL SUPPLY REDUCED
SHARPLY; EDIBLE OIL SUPPLY SHORT

The outstanding developments in the Argentine fats and oils situation in recent months have been the unusual activity in the marketing of industrial oils and the shortage of edible oils, report Robert C. Tetro, U.S. Agricultural Attache, and William Rodman, Assistant Agricultural Attache, American Embassy, Buenos Aires.

The burdensome supply of linseed oil in the hands of the Argentine Trade Promotion Institute (IAPI) has been reduced from an estimated 360,000 short tons at the beginning of the season to less than 55,000 tons at the present time. Shipments of both linseed oil and tung oil have been heavier this year than last. On the other hand, Argentina has become a net importer of edible oils primarily because of the poor sunflower seed crop. A part of the import requirements, 16,500 tons, has already been purchased but apparently additional quantities will be needed during the coming year.

There are no official estimates of plantings for the 1954-55 flaxseed crop which will begin to come to market within 2 months. The Government has undertaken, particularly in the province of Buenos Aires, a campaign to increase flaxseed plantings through raising the support price from 65 to 75 pesos per quintal. Owing particularly to this campaign, and also to the unfavorable weather which reduced wheat seedings in some areas, it is likely that there has been an increase in the area sown to flaxseed. Any increase probably would be modest and, therefore, plantings may total from 2.1 to 2.2 million acres. (An earlier unofficial estimate indicated that production might approximate 20 million bushels.) Official estimates for the 1953-54 season remain at 13,684,000 bushels from 1,806,000 planted acres. However, final figures are expected to be somewhat higher and the oil output from last year's crop will be above 120,000 tons. Thus, total availability of linseed oil for domestic use and export would approximate 360,000 tons owing to the carry-over (January 1, 1954) of 240,000 tons from the previous season. Through barter deals and straight sales, however, IAPI had succeeded by mid-season in moving practically all the surplus linseed oil.

No official estimates have been made of the 1954 crop of tung nuts, but until recently the trade had been consistently estimating the oil yield at 14,300 tons. This would indicate a nut crop of 90,000 to 100,000 tons. Persistent rains in recent weeks, however, may have damaged the nuts to the extent that the oil yield may be less. On the basis of the 14,300-ton yield of oil, plus a carryover of 7,700 tons on July 1, 1954, availability this season would total 22,000 tons. Except for September, shipments this season have been unusually large. Estimated shipments in July were 1,338 tons, in August 1,614, and in September 660 tons. Moreover, bookings for October shipment were at 2,646 tons with an additional 1,100 tons still being negotiated for October-November shipment.

A vigorous campaign has been undertaken to increase the sunflower seed acreage planted during the 1954-55 season. Support prices to producers were increased from 48 to 60 pesos a quintal. Except for some early dryness, the planting season has been relatively favorable, and the present estimates of the area seeded are around 2.5 million acres, or nearly double the area seeded last year.

Acreage planted to sunflower seed in 1953-54 is officially estimated at 1,412,670 acres. Assuming average yield, this would mean a crop of about 300,000 tons or a record low for this important edible oilseed. As a result, previously accumulated stocks of peanut oil have been reduced; and, before the season is over, Argentina is expected to import up to 55,000 tons of edible oil.

Peanut plantings in the 1953-54 season are estimated officially at 469,490 acres. Trade estimates of the yield increased as the season progressed and now approximate 181,880 tons shelled, with an oil yield of nearly 65,000 tons. There have been no changes in the support prices for peanuts but the good results of the past season are expected to bring another large acreage during the coming season.

A somewhat larger area than the year before was seeded to cotton in 1953-54. Cottonseed oil output from the 1953-54 cottonseed production is now estimated at 28,650 tons.

Argentine production of edible and inedible beef fat this year is expected only to equal the 1953 totals of 77,000 and 94,000 tons, respectively. About 3,300 tons each of edible and inedible mutton fat will have been produced by year-end. Lard production in 1954 probably will total about 12,000 tons compared with 15,000 tons last year.

U.S. FOREIGN TRADE IN AGRICULTURAL PRODUCTS--(Continued from Page 491)

Argentine corn displaces U. S. corn in Europe. Corn grain exports this August of 6.9 million bushels showed an increase over July's 5.1 million but were less than shipments of 8.7 million in August last year. Declining United States corn exports this year reflect large crops in Europe; also a greater proportion of European imports has been coming from Argentina.

Grain sorghum stocks are exported before new harvest. Additional grain sorghum exports from CCC stocks in anticipation of the larger 1954 harvest raised the August export total to 3.3 million bushels this year as compared with 1.3 million in August 1953. This August's shipments, however, were less than July's 4.8 million bushels.

Cuban purchases raise rice exports. Commercial exports of milled rice amounting to 74 million pounds in August 1954 were well above shipments of 55 million pounds in August last year and 41 million pounds in July this year. Gain was due primarily to increased shipments to Cuba.

Reduced hog slaughter continues to restrict lard exports. Lard exports totaling 29 million pounds in August 1954 were about the same as in July but some 6 million pounds under exports in August 1953. Value in August this year was higher than last year owing to higher prices. Lard supplies have been limited by the reduction in United States hog slaughter.

U. S. tallow's low price holds exports up near 100 million pound monthly level. August was another month in which about 100 million pounds of tallow were exported; exact figure was 97 million, following July's 103 million. A year ago August exports were 89 million pounds. High level of export reflects the low United States price for tallow.

Vegetable oils and oilseeds continue to flow from CCC stocks. More sales for export from CCC inventories continued to stimulate shipments of major vegetable oils and oilseeds other than soybeans and soybean oil. August exports of cottonseed oil were 22 million pounds this year against 3 million last year; shipments of flaxseed and linseed oil were also larger.

Soybean exports continue slow in view of relatively high prices. August 1954 exports of soybeans were 738,000 bushels as compared with 1.25 million bushels in August last year. Shipments have been under a year earlier since May this year. Short supplies and relatively high prices since last spring have been main factor in the export decline.

Shift away from soybean oil continues in European market. With Europe preferring to do its own seed crushing and to purchase lower priced cottonseed oil from CCC, United States soybean oil exports amounted to 2.2 million pounds this August as compared with 8.2 million last August. Oil exports have been less than a year earlier since April 1954. However, August shipments this year were more than 3 times July exports.

Better showing for some fruits excludes oranges, prunes, and apples. Exports of fresh grapefruit and pears, raisins, canned fruits, and fruit juices showed some increases over a year earlier this August, but dried prune and fresh orange shipments were sharply reduced, and fresh apples were about the same as in August 1953.

More vegetables gain but loss of Mexican market hits pinto bean exports. With the exception of dry edible beans, principal United States vegetable exports in August 1954 showed gains over August 1953. A sharp drop occurred in exports of dry edible beans; August total was 9.0 million pounds this year and 28.3 million last year. Mexican market for United States pintos disappeared with approach of good harvest there.

Import Highlights

August agricultural imports are practically unchanged from 1953 to 1954. Agricultural imports of \$304 million in August 1954 were \$1 million larger than in August 1953 and \$4 million above July 1954. Import in the July-August period were \$604 million this year and \$631 million last year. Smaller imports of supplementary, or competitive, products were a little more than offset by larger imports of complementary, or noncompetitive, products.

Supplementary imports continue to lose markets. The reduction in supplementary imports from \$150 million in August last year to \$136 million in August this year reflected smaller imports of cattle, hides and skins, beef, apparel wool, canned pineapples, barley, oats, and sugar that more than offset small gains in pork, jute, fruits other than canned pineapples, molasses, and field and garden seeds. Supplementary imports have been lower than a year earlier every month so far in 1954.

Complementary imports gain despite decline in coffee. The gain in complementary imports from \$153 million in August last year to \$168 million in August this year was mainly in raw silk, carpet wool, bananas, and crude rubber. Imports of coffee and tea were smaller than a year earlier; coffee volume was down so far that the August value this year was about equal to last year's despite the 46 percent higher average import unit value. Cacao bean imports were moderately smaller, but value was up considerably. Imports of spices and sisal and henequen were larger, but value receded somewhat.

PUBLISHED MATERIAL RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

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Prospects for Agricultural Exports. Statement by William G. Lodwick, Administrator, Foreign Agricultural Service, at 32nd Annual Agricultural Outlook Conference, Washington, D. C. October 25, 1954.

Export Outlook for Processed Citrus. Summary of remarks by Clayton E. Whipple, Deputy Administrator, Foreign Agricultural Service, at 23rd Annual Meeting of Florida Cannery Association, Hollywood, Fla., October 22, 1954.

Recent Events in the Foreign Agricultural Trade and Exchange Situation of Chile. Foreign Agriculture Circular FATP 9-54.

World Cotton Production Down 8 Percent. Foreign Agriculture Circular FC 36-54.

First Forecast Indicates Large Barley and Oats Crop. Foreign Agriculture Circular FG 10-54.

World Production of Sugar Beets Down in 1954. Foreign Agriculture Circular FS 3-54.

L A T E N E W S

Pakistan's exports of cotton in August and September, 1954 totalled 17,000 and 31,000 bales of 500 pounds gross weight respectively compared with 103,000 and 54,000 bales for the corresponding months in 1953. The exports in August-September, 1954 show Japan receiving 18,000 bales; the United Kingdom 8,000; Hong Kong 6,000; France and Australia 3,000 each; the United States 2,000; French India and Italy 1,000 each.

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Heavier than usual rains in late September and early October may cause some serious damage to the 1954-55 cotton crop in El Salvador. Earlier estimates had placed this year's cotton acreage at 73,000 acres or 35 percent above the previous year, and cotton production for 1954-55 at approximately 60,000 bales (500 pounds gross). Domestic consumption amounts to approximately 12,000 bales, and the remainder of the crop is exported.

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